



**Congresswoman Stephanie Murphy**

Opening Remarks

Concord Coalition Budget Event

Winter Park, Florida

*July 6, 2017*

Good afternoon, and thank you for being here today. I'm Congresswoman Stephanie Murphy, and I am so glad you could join us for this unique, hands-on, and hopefully fun look at our nation's budget.

So far this year, I've been pleased to host about a dozen public events throughout the district. More than a thousand of you have attended at least one of these town halls, listening sessions, issue roundtables, or coffees with your Congresswoman.

Today's event is part of my ongoing effort to share information with my constituents, to listen to your challenges and concerns, and to use the feedback I receive from you to guide my work in Washington, D.C.

This event is very timely, because it follows on the heels of legislation I recently introduced in Congress that would amend the U.S. Constitution to require a balanced budget.

My bill would generally prohibit the federal government from spending more than it receives in a fiscal year. At the same time, it would provide flexibility to Congress to engage in deficit spending in the event of war, recession, high unemployment, or if a supermajority of both legislative chambers specifically authorizes the excess spending.

In other words, my bill would not make deficits impossible. It simply makes it more difficult for Congress to continue to spend taxpayer dollar irresponsibly.

Finally, my bill specifically protects Social Security or Medicare from any court-ordered cuts, because we should not punish seniors for the failure of Congress to do its job.

Let me be clear. I do not take the prospect of amending the Constitution lightly. It is a sacred document and should be amended very rarely.

Nevertheless, I filed this bill because I want to spur a candid and bipartisan debate in Congress, here in central Florida, and around the country about the risks posed by piling deficit upon deficit, as we have been doing.

This is a conversation we need to have as a nation. This cannot be a Republican or a Democratic issue. It must be an American issue.

The experts have warned us that we are on unsustainable path. We owe it to future generations to face up to this issue now with candor and courage.

Democrats and Republicans may not always agree on the best way to bring our budget into better balance. But we all care about our country and our children—and both will be placed in peril unless we rein in our unsustainable deficits and debt.

In 45 of the last 50 years, the federal government spent more than it received. The federal debt has ballooned to over \$14 trillion dollars. That is 77 percent of GDP, a figure that is expected to reach 150 percent in 30 years if we do not change course.

Last year, a bipartisan coalition of prominent national security figures called on Congress to reduce the country's long-term debt, which they said was the single greatest threat to the nation's security.

This group included national security experts from both parties, including:

- former chairman of the Joint Chiefs of Staff, Mike Mullen;
- former Secretaries of State Madeleine Albright and Henry Kissinger;
- former Defense Secretaries Robert Gates and Leon Panetta; and
- former National Security Advisers Zbigniew Brzezinski and Brent Scowcroft.

The group put it bluntly, “As we confront determined and dangerous foes, we can no longer delay the necessary choices. We need leaders who act in the long-term interests of our nation, and are willing to put aside perceptions of short-term political risk in favor of long-term security gains.”

This is why we must address our national debt. The nonpartisan Congressional Budget Office, or CBO, warns that a large and growing federal debt over the coming decades will hurt the economy and limit our potential.

The CBO asserts that the growing debt:

- will reduce national saving and income in the long term;
- increase the government's interest costs, putting more pressure on the rest of the budget;
- limit Congress' ability to respond to unforeseen events; and,
- increase the likelihood of a fiscal crisis, where investors become unwilling to finance a government's borrowing unless they are compensated with very high interest rates.

While taking on some debt is necessary, simply ignoring our growing national debt is dangerous. According to Fix the Debt, here's what our nation will look like if we do not change course.

Critical investments in the future will be crowded out. As the debt rises, so will the interest payments needed to cover it.

Higher interest payments will squeeze investments that can improve the standard of living for future generations.

In 2016, interest on the debt was \$241 billion, which was more than the yearly budgets of the Departments of Education, Labor, Housing and Urban Development, and Transportation combined.

That is a heavy burden that will hurt our children and future generations of Americans.

A high debt will hurt the economy and wages. Getting the debt under control responsibly is critical to any plan to grow the economy and increase income. We can't keep the economy afloat if we're drowning in debt.

Families will have a harder time climbing up the economic ladder. Rising debt will cause interest rates to increase. This will make home, auto, college, and credit card loans more expensive, which will make it more difficult for families to improve their station in life.

Finally, the country will be in a weaker position to respond to crises with an unsustainable debt. We'd like to think that emergencies won't occur, but they do. Rising debt will make it more expensive to borrow to respond to an unforeseen event.

That's the economic case for reducing our national debt. There's also the moral case—that we simply cannot pass an unsustainable debt to our children and grandchildren. It's not responsible of us, and it's not fair to them.

There are those that say a balanced budget is impossible. However, in the late 1990s and early 2000s, we achieved budget surpluses four years in a row. We did it then, and we can do it again.

All of this leads us today. I am so happy to be joined by the Concord Coalition.

The Concord Coalition is a non-partisan, grassroots organization that advocates generationally-responsible fiscal policy. It is dedicated to educating the public about the causes and consequences of federal budget deficits, the long-term challenges facing America's unsustainable entitlement programs, and how to build a sound economy for future generations.

Today, we will be participating in a one-of-kind budget exercise so that you can see the tough decisions Members of Congress must make when passing a budget. I hope you find this event fun and informative.

After the event, I'll collect the summary of all your work and take your suggestions and feedback with me to our nation's capital as we continue to these discussions on the budget.

During the event, I'll come by each table to visit with you and see how it's going. I'll also stick around after the event to listen to any other concerns you may have facing our nation.

Again, thank you for coming today, and now it's my honor to turn the program over to Phillip Smith, who serves as the national political director and national development director for the Concord Coalition.